

## Demand STAR Ranking Methodology

The methodology used to assess demand in this tool is based upon a process used by the State of Louisiana's "Star Rating" system. Data regarding current openings, short term and long term hiring outlooks along with wages are combined into a single five-point ranking metric.

### **Long Term Occupational Projections 2014-2014**

The steps to derive a rank for long term hiring outlook ([DUA Occupational Projections](#)) are as follows:

- 1.) Eliminate occupations with a SOC code ending in "9" in order to remove catch-all occupational titles containing "All Other" in the description.
- 2.) Compile occupations by six digit Standard Occupational Classification (SOC) codes.
- 3.) Calculate decile ranking for each occupation based on:
  - a. Total Projected Employment 2024
  - b. Projected Change number from 2014-2024
- 4.) For each metric, assign 1-10 points for each occupation based on the decile ranking
- 5.) Average the points for Project Employment and Change from 2014-2024

### **Short Term Occupational Projection 2015-2017**

The steps to derive occupational ranks for the short-term hiring outlook are same use for the Long Term Hiring Outlook, but using the Short Term Occupational Projections 2015-2017 data set.

### **Current Job Openings**

Current job openings rankings are assigned based on actual jobs posted on-line for each region for a 12 month period. 12 month average posting volume for each occupation by six digit SOC codes was captured using The Conference Board's Help Wanted On-Line analytics tool. The process for ranking is as follows:

- 1) Eliminate occupations with a SOC ending in "9" in order to remove catch-all occupational titles containing "All Other" in the description
- 2) Compile occupations by six digit Standard Occupational Classification (SOC) codes
- 3) Determine decile ranking for the average number of on-line postings by occupation
- 4) Assign 1-10 points for each occupation based on the decile ranking

### **Wages**

In an effort to prioritize occupations with higher wages, wages are weighted more heavily than the current, short-term and long-term hiring outlook rankings. Sub-state level wages are available for occupations through the ([DUA Occupational Employment Statistics](#)) program and are updated annually. In instances where sub-state wage information is not available or suppressed, state level wages are used to determine rankings.

The steps to wage rankings as follows:

- 1) Eliminate occupations with a SOC ending in “9” in order to remove catch-all occupational titles containing “All Other” in the description
- 2) Compile occupations by six digit Standard Occupational Classification (SOC) codes
- 3) Determine decile ranking for median annual wages by occupation
- 4) Assign 1-10 points for each occupation based on the decile ranking

### **Converting points to a 5-point Demand Ranking**

The goal of the Demand Ranking Methodology is to pull into multiple demand measures and produce a single metric. Jobs that rate well across several variables should stand out as priority occupations.

In order to create a final demand rank, the following steps are used:

- 1) The rating for wages is given twice the weight of the other three measures for current, short term and long term hiring outlooks, creating five rankings to be averaged.
- 2) Average across all categories, and then divide the average by two and round up to the nearest whole number. This converts the ten point rankings into a five point metric
- 3) In an effort to avoid assigning a high ranking to a low-paying occupation that due only to high employment levels, the following rules are incorporated:
  - a. Occupations that receive a “one” for a wage rank can receive no higher than a “one” overall
  - b. Occupations that receive a “two” for a wage rank can receive no higher than a “two” overall